FREQUENTLY ASKED QUESTIONS RELATED TO BILLING FOR THE SCHOOL-BASED MEDICAID PROGRAM.

1. We have several students in our district that have private insurance and Medicaid. Can I still bill Medicaid for the related services offered to these students?

Yes, but you must first bill the private insurance company to determine the extent of the insurer’s payment liability. The private insurance will notify the district when the benefits have been expended (or if they deny payment for school-related services). It is at this time that Medicaid can be billed.

2. Can I bill Medicaid if the parent refuses to grant me permission to bill their third party insurance (private insurance)?

No. Federal and State requirements state that Medicaid is the “payer of last resort”. This means that third party payments must be pursued before billing Medicaid for IDEA related services. The school would be responsible for paying for this service. ***It is important to note that some parents automatically mark “no” when asked about third party billing, when in fact that they may not have third party insurance. The school district representative should inquire if the parent has third party insurance, then offer an explanation of why the district would be pursuing Medicaid funds for related services.

3. Can I bill Medicaid without the parent’s permission to do so?

No. In order to access Medicaid, you will need the parent’s signed consent to release the personal identifiable information listed in the student, education record. Submitting information to Medicaid or any private insurance company without the parent’s permission violates The Family Educational Rights and Privacy Act (FERPA).

4. My district has two provider numbers; one for when we bill for speech-language services, and one that is used with our contracting therapists. When we receive our statements regarding our share of the state match, the only required amount for us to pay is related to the specific speech-language number. Is this correct or should we be paying the match on the contracted services as well?

The district is responsible for paying the match on all Medicaid reimbursed related services to special education students. One reason that the match may not be showing up on your statements is the absence of your LEA number on the billing done by the contractors. Let them know that they need to begin including the LEA number when billing. Failure to comply with billing instructions violates Medicaid policy and may be considered
insurance fraud. If you notice that the match report you receive quarterly does not fully reflect your district’s activities, please contact Tony Boaz at the Arkansas Department of Education, Special Education Unit at (501) 682-4288 or email at tboaz@arkedu.k12.ar.us.

Beginning soon, each district (Superintendent and LEA Supervisor) will receive a Medicaid Activities quarterly account noting all billing activities for that quarter with a comparison to last year’s claims.

5. Is my district responsible for the match payment to Medicaid during the summer months?

This depends on what is written in the student’s individualized education program (IEP). If the IEP mentions related services being provided during the summer months, or specifically indicates the school’s participation in the summer, then yes, the school is responsible. If summer isn’t included, then the school is not responsible for the match payment.

6. When I submit a claim to certain third party insurance companies, they do not send me a specific denial, but issue a statement noting that they do not cover therapies provided in an educational setting? Will Medicaid accept this statement as the claim denial?

Yes. If the third party insurance company will not cover the specific IDEA related service, the school district will need to furnish documentation to Medicaid showing that the third party insurance will not provide coverage for these services. The district would not need to pursue the third party insurance company for each claim as long as it was demonstrated such coverage is not available by otherwise third parties. Attempts to recover costs from third parties should be done annually and the documentation, statements should be included in your records.

The following list includes third party insurance companies that do not pay for school related services:

Blue Cross Blue Shield, QualChoice, Tyson’s (unless medical necessity—i.e. CP, MR, etc.), Health Advantage, Harrington Benefit Services (maintenance therapy or supportive care not covered), Claim Management Services (does not cover unless do to injury or illness), United Medical Resources, Inc., Golden Rule, INCENTUS, and Employee Benefit Management Services (EBMS).

The following list includes third party insurance companies that have paid for school related services:
Love Box Co Ins (a.k.a. FISERV Health-Kansas), SMC, Inc., Continental General Insurance Co., and Central Benefits.

7. I just received a statement of recoupment from Medicaid; how I am suppose to code the repayment in our budget?

Under the Function Codes in the Medicaid Budget, code the repayment to Medicaid under the service that is being recouped. For example, if you have received a recoupment for speech services equaling $500.00, then subtract $500.00 from code 2152.

8. With regard to recoupments, what will happen to the money that was used to pay my match for the services that were denied?

The match money paid by the schools will be used to offset the next quarter's amount of match you owe to Medicaid. So you will not receive a check from Medicaid, but rather a credit to the amount of money owed to Medicaid for the next quarter.

9. The school district I worked in last year was annexed to another district last spring, with regard to billing Medicaid for services, which provider number do I use?

With regard to annexed or consolidated schools, since your district LEA numbers no longer exist, your Medicaid number will no longer be recognized. You will now need to use the current LEA number and the commensurate provider numbers for that LEA when billing for Medicaid related services.

If you are a part of a new district with a new tax ID number, then that new district will need to complete a new application, contract and w-9 with Medicaid prior to billing for any services. The districts needing to complete new applications are: Emerson-Taylor, Cleveland County, Cedar Ridge, Hillcrest, Ozark Mountain, Ouachita River, Deer-Mt. Judea, Two Rivers, and Twin Rivers.

10. With regard to special education, what services can schools bill Medicaid? What are the reimbursement rates for the services? If I am billing Medicaid should the service be listed on the student’s IEP?

All related services should be listed on the IEP, whether billing Medicaid or not. Please refer to the following for the services and reimbursement rates:

Occupational Therapy:
- Evaluation - $41.20 (30 min. unit)
- Group Therapy by assistant - $3.96 (15 min unit)
- Individual Therapy - $18.13 (15 min unit)
- Group Therapy - $4.95 (15 min unit)
- Individual Therapy by assistant - $14.50 (15 min unit)
Physical Therapy:
- Evaluation - $41.20 (30 min. unit)
- Individual Therapy - $18.13 (15 min. unit)
- Group Therapy - $4.95 (15 min. unit)
- Individual Therapy by assistant - $14.50 (15 min. unit)
- Group Therapy by assistant - $3.96 (15 min. unit)

Speech-Language Pathology:
- Evaluation - $41.20 (30 min. unit)
- Individual Therapy - $18.13 (15 min. unit)
- Group Session - $4.95 (15 min. unit)
- Individual Therapy by assistant - $14.50 (15 min. unit)
- Group Therapy by assistant - $3.95 (15 min. unit)
- Eval, Augmentative Comm. Device - $148.96
- EPSDT periodic hearing screen - $10.93
- EPSDT inter-periodic hearing screen - $10.93

School-Based Mental Health:
- Diagnosis - $10.37 (15 min. unit)
- Diagnosis (psych testing/eval) - $16.80 (15 min. unit)
- Diagnosis (psych testing battery) - $11.96 (15 min. unit)
- Interpretation of diagnosis - $10.37 (15 min. unit)
- Crises Management visit - $9.82 (15 min. unit)
- Individual Outpt Therapy - $9.82 (15 min. unit)
- Marital/family Therapy - $12.80 (15 min. unit)
- Individual Outpt Collateral Service - $9.82 (15 min. unit)
- Group Outpt Therapy - $4.97 (15 min. unit)

Private Duty Nursing:
- Private Duty Nurse (RN) - $29.56 (60 min. unit)
- Private Duty Nurse (LPN) - $22.30 (60 min. unit)

Personal Care:
- Personal Care Aide in School - $3.46 (15 min. unit)

Targeted Case Management:
- Assessment – $4.25 (15 min. unit)
- Service Management - $4.25 (15 min. unit)
- Service Monitoring - $4.25 (15 min. unit)